VZCZCXRO7195 PP RUEHCHI RUEHCN RUEHDT RUEHHM DE RUEHBK #1939/01 2190918 ZNY CCCCC ZZH P 070918Z AUG 09 FM AMEMBASSY BANGKOK TO RUEHC/SECSTATE WASHDC PRIORITY 7816 INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS PRIORITY RUEHKO/AMEMBASSY TOKYO PRIORITY 1784 RUEHBJ/AMEMBASSY BEIJING PRIORITY 7300 RUEHUL/AMEMBASSY SEOUL PRIORITY 5653 RUEHBY/AMEMBASSY CANBERRA PRIORITY 9835 RUEHCHI/AMCONSUL CHIANG MAI PRIORITY 6840 RUEKJCS/SECDEF WASHINGTON DC PRIORITY RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY RUEKDIA/DIA WASHDC PRIORITY RUEAIIA/CIA WASHINGTON DC PRIORITY RHEHNSC/NSC WASHDC PRIORITY

C O N F I D E N T I A L SECTION 01 OF 04 BANGKOK 001939

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TAGS: PREL PGOV PREF PHUM BM TH

SUBJECT: THAILAND: AMBASSADOR ENGAGES FM KASIT ON US-THAI

RELATIONS, DRPK, BURMA, CAMBODIA, LAO HMONG, VIKTOR BOUT

REF: BANGKOK 1842

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Classified By: Ambassador Eric G. John, reason 1.4 (b,d)

11. (C) Summary: Ambassador engaged Thai FM Kasit Piromya August 6 on U.S.-Thai relations, DRPK and the ARF Chair Statement, Burma and Aung San Suu Kyi (ASSK), Cambodian border issues, the Lao Hmong, and Viktor Bout's extradition. Ambassador and Kasit agreed on the need to elevate the nature of the U.S.-Thai diplomatic-security dialogue to a more strategic level. Ambassador stressed U.S. displeasure with the July 23 ARF Chair language on North Korea; Kasit asserted that ASEAN had intended to keep channels of dialogue to Pyongyang open while emphasizing to the DPRK that following a path of confrontation was futile. Kasit characterized increasing ASEAN pressure on Burma and said that ASEAN could not move forward absent fundamental change in Burma. Recently concluded Thai-Cambodian meetings showed progress, but Kasit said there would need to be a grand package of land border and off-shore Joint Development Area (JDA) agreements to overcome bilateral distrust and nationalists in both countries. Ambassador thanked Kasit for recent increased access to the Lao Hmong in Phetchabun and pushed for a rapid change in the status of Hmong held in Nong Khai; Kasit expressed hope there would be progress in the near future. Ambassador reiterated U.S. interest in a successful conclusion in the Viktor Bout extradition case, with a decision due August 11. End Summary

Kasit: Thanks again for S engagement in Phuket

12. (SBU) FM Kasit once again conveyed a "profound" thank you for Secretary Clinton's presence at the ASEAN Regional Forum (ARF) in Phuket July 22-23. Her participation engendered good will, elevated the quality of the discussions, and helped make ARF a success, he said.

13. (SBU) Kasit urged quick and substantive follow-up to the Lower Mekong initiative, and asked for U.S. plans for next steps, including on the Mississippi-Mekong partnership in exploring riparian state responsibilities. For his part, Kasit planned to meet soon with the ESCAP Executive Director, the ADB, and the World Bank to take stock of possible programming in the Lower Mekong region, with a focus on technical cooperation and human resource development.

- 14. (C) Ambassador and Kasit traded thoughts on implementing the promise of an enhanced strategic dialogue discussed by Kasit and the Secretary during Kasit's April visit to Washington. Ambassador emphasized the need to switch from the transactional approach of the past several years to a more strategic partnership. Kasit agreed, reiterating his views shared with the Secretary, Deputy Secretary Steinberg, and S/P director Slaughter in April: Thailand for the past eight-ten years has been reactive to piecemeal U.S. requests ("send troops to Afghanistan and Iraq, give us access to Utapao"), rather than being a partner in discussing policy together. That was his goal, even if Thailand only rose to a "junior" strategic partner.
- 15. (C) If the U.S. were to explain its overall approach to the Asia-Pacific region for the future, Kasit continued, Thailand's role as an ally in advancing a shared agenda of promoting peace and stability in the region could flow naturally. Cooperative efforts in disaster relief management, upgrading civil-military capacity, peacekeeping in a UN/regional context, and capacity-building in countries like Cambodia-Laos-Vietnam, and eventually Burma, were all prospective topics to be discussed in his view. Ambassador added that the Thai position in ASEAN, the relationships with China and India, and a socio-cultural component including educational exchanges should also be part of the agenda; late October/early November might be appropriate timing.
- 16. (SBU) Kasit mentioned that PM Abhisit planned to attend the UN General Assembly in September. Abhisit would seek business meetings in New York, and plan to engage Congress in

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Washington, even if executive branch meetings proved too difficult to arrange.

17. (C) Referencing his conversation with NSA GEN Jones in April, Kasit passed a list of equipment the Thai military hoped might be available via Excess Defense Articles (EDA) or other military assistance mechanisms as the U.S. drew down in Iraq. Most of the current Thai armored unit equipment was 30-40 years old, Kasit noted, making it difficult to stay interoperable with the U.S. Ambassador agreed to pass the equipment list via our Military Assistance Group but suggested equipment requests would best be discussed in context of Thailand's strategic needs as part of a broader, deeper political-military strategic dialogue component. Kasit acknowledged this point, and agreed with Ambassador on the utility of closer collaboration between Foreign and Defense officials in both countries as part of the strategic dialogue. Kasit noted he met or spoke with Defense Minister Prawit weekly.

ARF Statement's DPRK language

18. (C) Kasit raised his July 31 telcon with Deputy Secretary Steinberg on the ARF statement's language on North Korea. He said China had pushed Thailand hard to give the DPRK room and to avoid language that would cause the North Koreans to walk away and possibly never come back to the ARF or the Six Party process. The Thai and ASEAN also believed a quiet and soft approach was the order of the day. Kasit had told the DPRK head of Del in Phuket, Ambassador Pak Kun-gwang, that North Korea could not continue on its current confrontational path; firing rockets and testing nuclear weapons would get it nowhere. The outside world was prepared to provide assistance if it adopted a different approach; confrontation was futile. Kasit felt that the North Korean delegation left Phuket understanding their obligations, that the channel of dialogue had remained open, with the expectation that the North Koreans should return to the Six Party Talks.

 $\P 9$. (C) Kasit and the Chinese FM had a long discussion about

this issue in Phuket; China would be working hard behind the scenes to bring the DPRK back to the Six Party table. Kasit had thought about going to Pyongyang as ASEAN Chair to facilitate progress; the Thais had been in a dialogue with Pyongyang for 5-6 months, with Vice Ministers Panich having traveled to Pyongyang to try to secure high level attendance at the ARF, and Kasit raising it on the margins of the mid-July Sharm-el-Sheik NAM meetings.

- 110. (C) Ambassador emphasized there remained significant disagreement over the ARF statement, and Secretary Clinton had asked that he convey her disappointment with the language. The July 2- AMM communiqu language on the Korean Peninsula was good, the July 23 ARF statement not so (reftel). While we understood the Thai position that China and Russia had come to the Thai claiming they did not want to be associated with the language, the fact remained that there had been agreement among representatives of the five countries on the language. Furthermore, when the Secretary and Kasit had met, Permsec Virasak had characterized the state of play on DPRK language very differently, suggesting the DPRK wanted a call on all parties to exercise restraint, and that the DPRK was willing to engage in dialogue. The final language was much different, was imbalanced, and suggested an equivalence between the two positions - near consensus of ARF vs. DPRK propaganda, which was substantively wrong, and procedurally had been handled poorly. Ambassador urged that the RTG consult more closely with the U.S. on this issue in the future.
- 111. (C) Kasit acknowledged that the Thai were fully aware of the possible consequences of the statement as issued, but he reiterated his view of the importance of keeping open the channel. By accommodating them "a bit" on language, it kept the DPRK in play, with no other direction to turn but to re-engage in talks. "This is a process," and ASEAN felt it had a role to help push the parties in the right direction. Russia and China now had to deliver on their end of the bargain. Kasit expressed hope the release of the two U.S.

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journalists on former President Clinton's visit to Pyongyang would provide positive momentum to substantive negotiations as well.

Burma and impact on ASEAN

- 112. (C) Kasit reconfirmed that PM Abhisit's visit to Burma had been postponed to avoid potentially coinciding with the expected verdict in Aung San Suu Kyi's (ASSK) trial. Kasit predicted that the Burmese would sentence ASSK to three years, but "whatever it is, it will be unacceptable." After constant pushing in recent months at a series of ASEAN meetings, most recently in Phuket, Kasit asserted the Burmese knew well the damage they would do to themselves and to ASEAN with a conviction. ASEAN countries are consistently harping on the "centrality of ASEAN" in regional architecture but ASEAN must earn its role, in Kasit's view. Without fundamental change in Burma, ASEAN would have no credibility, and would not be able to advance further as a community, Kasit stated.
- 113. (C) Kasit said that he would travel to Indonesia and Malaysia in the near future to consult about the way forward. He predicted various ASEAN states would complain separately in the aftermath of an ASSK conviction. Thailand would seek to ally with "old ASEAN" members to push a more forceful line. He and Singapore FM George Yeoh had repeatedly pushed their Burmese FM counterpart to convey the views of ASEAN, and the need for change, fully to Than Shwe. The recent visit of Singapore Senior Minister Goh Chok Tong to Burma to hammer home ASEAN concerns was also important; "there needs to be more of such regional pressure." For his part, Kasit planned to suggest to the Burmese FM in their next discussion that if the regime were to convict ASSK, they pardon her immediately.

- 114. (C) The Burmese had asked Kasit to facilitate another round of talks with the Karen, Kasit revealed. Kasit had not yet set a place and date, but his message to Karen National Union (KNU) leaders would be: go negotiate. The KNU had no chance whatsoever at a military victory; their situation only worsened with constant pressure by the Burmese Army and Karen DKBA proxies. Kasit felt the KNU's best option was to negotiate a deal, and then coordinate with the other cease fire groups with similar interests. Kasit personally believed Burma should be configured as a federation, not a union. The military would of course "cheat" and dominate the lower house of any parliament, but the states could have representation in an Upper House, and a process of self-cleansing of the system could begin.
- 115. (C) Ambassador thanked Kasit for the rapid Thai reaction to the influx of new Karen refugees in June. Kasit said that he had pushed the Burmese FM to create a safe area in Karen state to which the new arrivals could return without quaranteed harrassment from the Burmese army.

Cambodia - border negotiations and JDAs

- 116. (C) Kasit characterized the August 4-5 meetings of the Thai-Cambodian Joint Committee, and the visit of Cambodian DPM and FM Hor Namhong, as successful. He asked Hor Namhong to tell the Cambodian media that Cambodian-Thai relations were actually much smoother that the press indicated. The Thai were financing roughly 80 technical assistance and development projets, drawing on soft loans and the resources of the Ministry of Finance and several other ministries. Hor Namhong suggested the Thai invite the Cambodian Minister of Information for a visit, identifying him as a one of the key officials stoking a more confrontational public line.
- 117. (C) While border issues were not directly discussed, Kasit said that both sides are aware of the rough parameters of what each side could accept, and not; there would need to be give and take on disputed areas and jointly developing areas (JDAs) off-shore in the Gulf. The promise of peace and mutually economic gain should eventually win the day, in Kasit's view. In the meantime, fixing the location of boundary stone 73 (note: near the coastline), and agreeing on

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the watershed definition of six points near Preah Vihear, would pose the chief challenges. Thai DPM Suthep and Cambodia's Sok An had led the JDA discussions, coming close to an agreement in principle, but the maritime deal would need to be packaged together with a deal on the disputed land areas near Preah Vihear. This would be necessary due to the elements of distrust in the relationship, as well as nationalists in both countries who would oppose any compromise. Leaders in both countries would have to be brave, and explain the pluses and minuses to a packaged deal.

118. (C) Kasit said that he had passed critical comments to Total over the recent announcement of a provisional deal for exploration rights in the disputed Gulf areas and would file a note of protest to the Cambodians. In the end, any unilateral concessions for exploration would not go forward, and would be superceded by whatever JDA agreement emerged, just as had happened in the late 1990s when Thailand and Malaysia reached a similar JDA agreement.

Lao Hmong

119. (C) Ambassador thanked Kasit for PM Abhisit's assurances to the Secretary that there would be no forced repatriation of the Lao Hmong in Phetchabun. Referencing recent moves by the Thai military to provide more access to the Phetchabun camp and the first meaningful U.S. participation in discussions about the Lao Hmong August 7, Ambassador also pushed Kasit for a quick resolution of the 158 Hmong in the Nong Khai detention center, perhaps allowing them to return

to relatives in Lopburi. Kasit said that he was trying to bring the Ministry of Social Welfare into the picture to improve the situation at Nong Khai. If the discussions at Phetchaburi went well, he hoped there would be forward progress. Kasit said he had underscored the need for humane, humanitarian treatment of the Hmong to his military counterparts.

Viktor Bout

VINCOI DOUG

120. (C) Ambassador reiterated the Secretary's message to PM Abhisit and FM Kasit on the importance we placed on a successful conclusion to the Viktor Bout extradition case, with the judge's decision expected August 11. The U.S. continued to be concerned about ongoing Russian efforts to influence the decision. Kasit said he understood and agreed. JOHN